

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:2460

ANSWERED ON:30.08.2007

LOSSES TO DRUG MANUFACTURING COMPANIES

Rijiju Shri Kiren;Shukla Smt. Karuna

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the details of the public sector drug manufacturing companies running in losses;
- (b) the details of assistance provided by the Government for running these companies during the last three years, company-wise; (
- (c) the details of drugs manufactured by these companies;
- (d) the details of annual income earned through the sale of raw drugs;
- (e) whether some Ministries/Departments of the Government purchase costly drugs from private companies instead of public sector companies;
- (f) if so, the details thereof and the reasons therefor;
- (g) whether the Government has made any efforts to persuade these Ministries/Departments to purchase drugs from public sector companies only; and
- (h) if so, the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI B.K. HANDIQUE)

(a) & (b) The details of assistance provided by the Government to loss making public sector drug companies during the last three years are as under:

(Rs. in crores)

Sl. No. Name of PSU Year Amount

1. Hindustan

Antibiotics Limited (HAL) (i) 2004-05 (i) 7.27

(ii) 2005-06 (ii) 30.30

(iii) 2006-07 (iii) 131.69

2. Bengal Chemicals
& Pharmaceuticals

Limited(BCPL) (i) 2004-05 (i) 4.64

(ii) 2005-06 (ii) 9.73

(iii) 2006-07 (iii) 124.19

3. Indian Drugs &
Pharmaceuticals

Limited(IDPL) (i) 2004-05 (i) Nil

(ii) 2005-06 (ii) 7.00

(c) The drugs manufactured by Pharma companies include bulk drug Benzathine Penicillin and formulations viz. antibiotics, anti-malarial, antsnake venom, anti inflammatory, oral powder, syrups, dry powder/liquid injectables, ointments, I.V. fluids etc.

(d) The details of annual income earned through sale of raw drugs during 2006-07 is as under:

(i) HAL- Rs. 34.40 lakhs

(ii) BCPL- Nil

(iii) IDPL- Nil

(e) & (f) The information is not centrally maintained.

(g) & (h) Government has approved preferential purchase of 102 medicines manufactured by Pharma CPSEs and their subsidiaries by Departments/Ministries, PSUs, Autonomous Bodies, hospitals, etc. of the Central Government. State Governments are also required to purchase these 102 medicines under health programmes funded by Government of India(e.g. purchases under National Rural Health Mission etc.). As a result, orders for 102 medicines are placed on Pharma CPSEs & their subsidiaries. This would help in revival of sick Pharma CPSEs.